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Real Estate Economists, Appraisers and Counselors

MULTIFAMILY CONSTRUCTION INCREASES VACANCIES

WE have just completed our latest survey of "For rent" ads in the classified columns of the newspapers of 50 principal cities. In 30 of these cities the number of "For rent" ads increased and in 17 of these cities the current level is a new high since 1940, the first year in which we counted ads. In 20 of the cities the number of "For rent" ads is below the figure of this last spring.

The actual ad counts for each city have been charted on pages 577 through 585. From 1945 to 1953 ad counts for the second Sunday of May each year are charted. Since 1953, however, we have included an additional ad count for the second Sunday in October. There are some exceptions to this. Monthly ad totals for May and October are used for Milwaukee, Wisconsin, and Cleveland, Ohio. Ad counts from the second Saturday in April and October are used for Winnipeg, Manitoba, and annual ad counts are used for St. Paul and Minneapolis, Minnesota. The blue line on each chart represents "For rent" ads; the red line represents "Wanted to rent" ads.

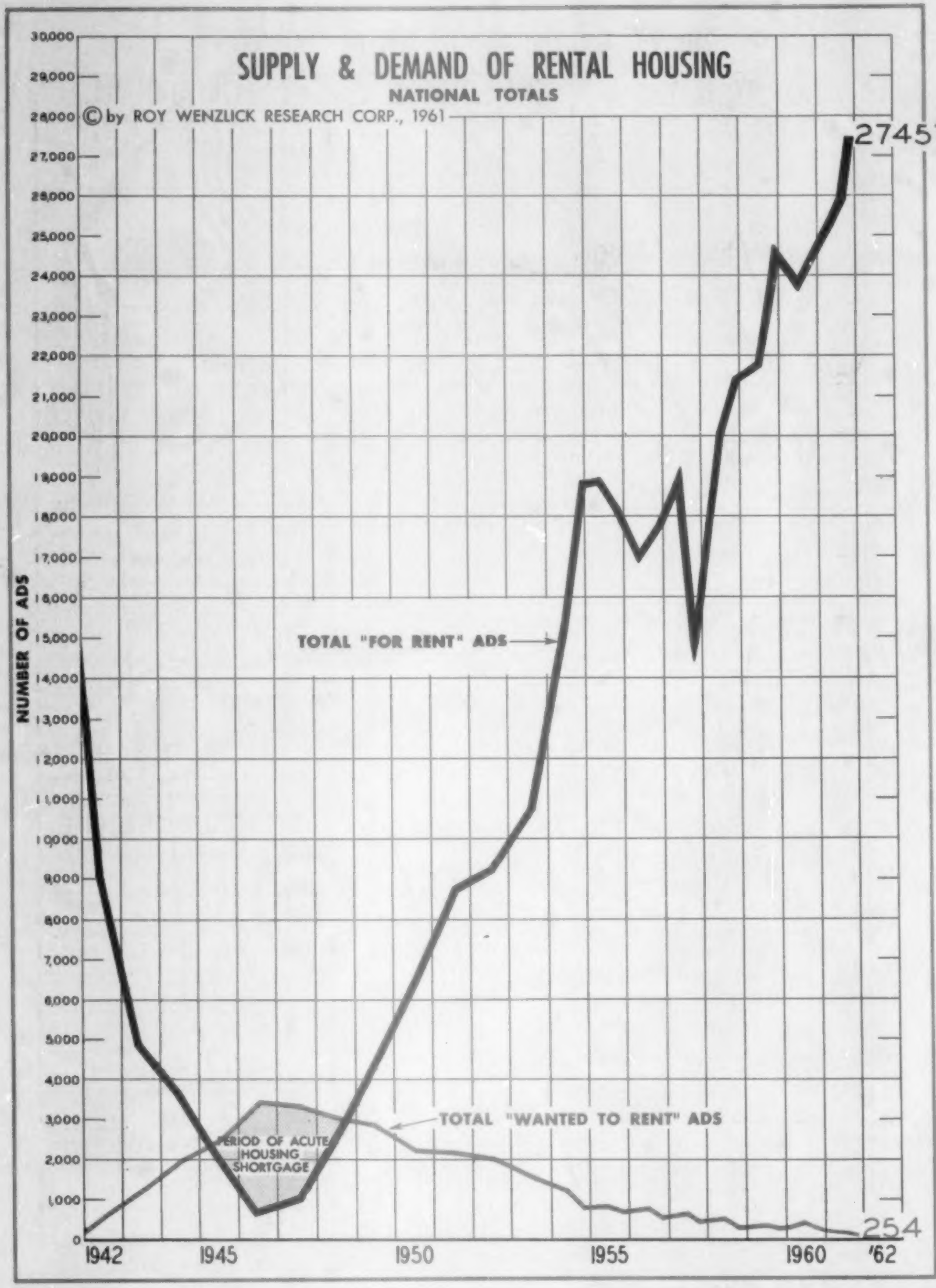
While these charts do not represent actual vacancies, we have found by a careful correlation of such vacancy figures as do exist in these various cities that the trends we show here represent, to a remarkable extent, the actual vacancy trends in the various cities.

The national totals shown on page 576 indicate that in October 1961 total "For rent" ads were at a new peak and total "Wanted to rent" ads were at a new low.

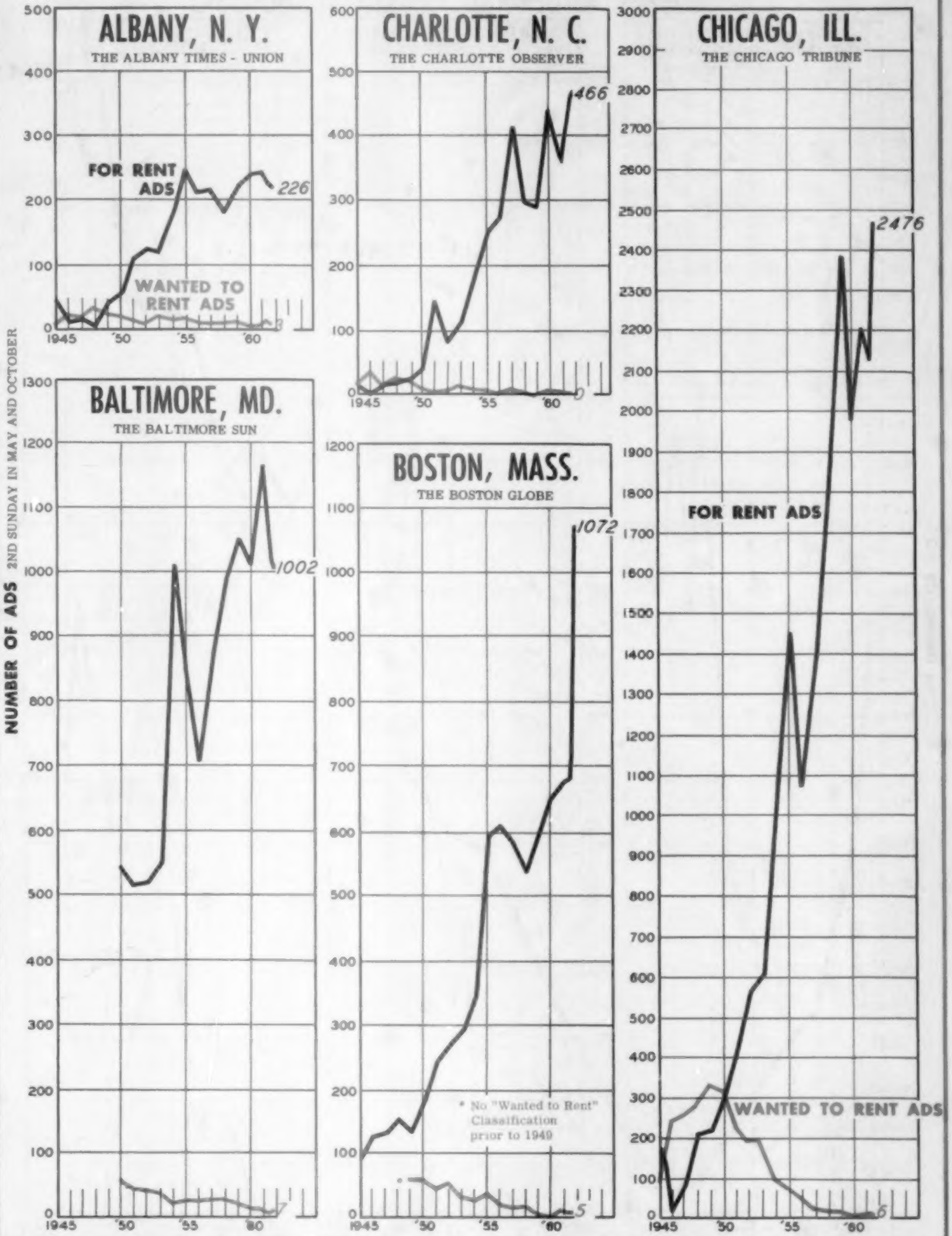
In view of the tremendous amount of building we have been doing on rental units, it is natural to expect "For rent" ads to increase. In the first eight months of 1961, 25 percent of all the dwelling units built in the United States were multifamily. This compares with 20 percent for the same eight months of 1960.

In the first eight months of this year we have built 216,900 multifamily units. By the end of the year we are almost certain to exceed all previous years since 1928 in the number of dwelling units built to accommodate two, three, or more families. The all-time peak in multifamily units was in 1925, when we built 365,000.

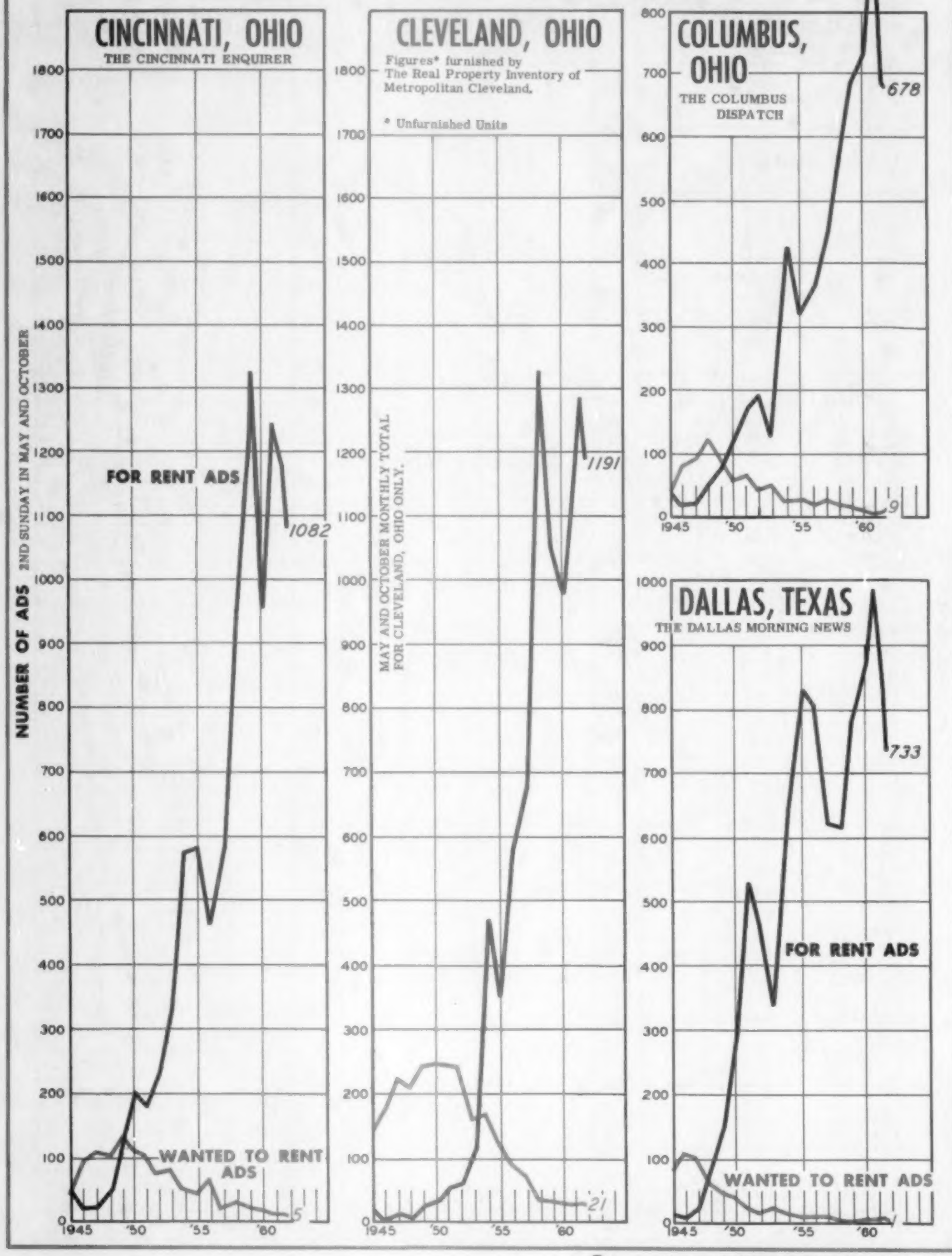
While there might be difficulty in filling rental units at the present time, we believe that demand will catch up with supply some time in the not too distant future.


SUPPLY & DEMAND OF RENTAL HOUSING
NATIONAL TOTALS
© by ROY WENZLICK RESEARCH CORP., 1961
NUMBER OF ADS
TOTAL "FOR RENT" ADS
TOTAL "WANTED TO RENT" ADS
PERIOD OF ACUTE HOUSING SHORTGAGE
27457
254
1942
1945
1950
1955
1960
'62

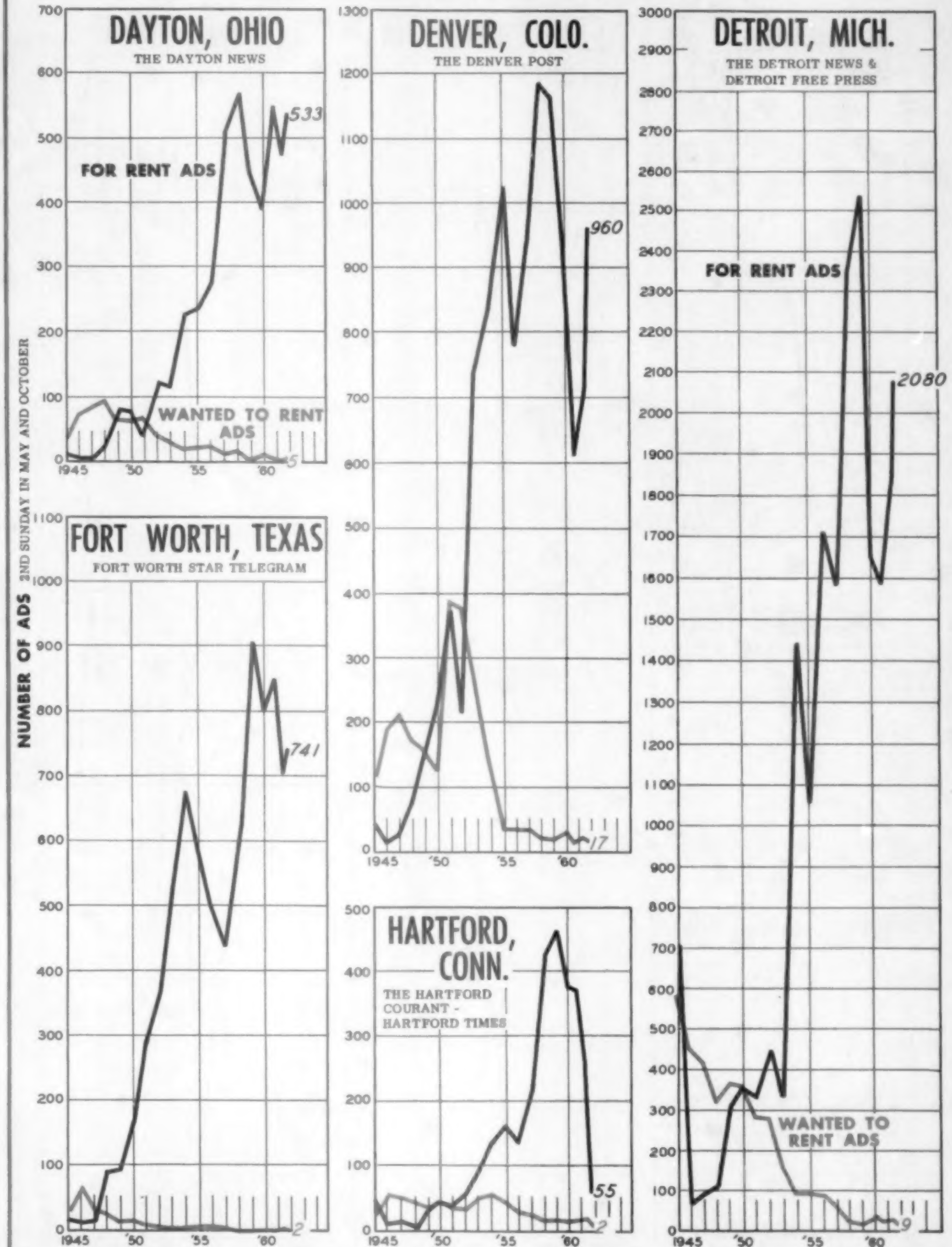
SUPPLY & DEMAND OF RENTAL HOUSING



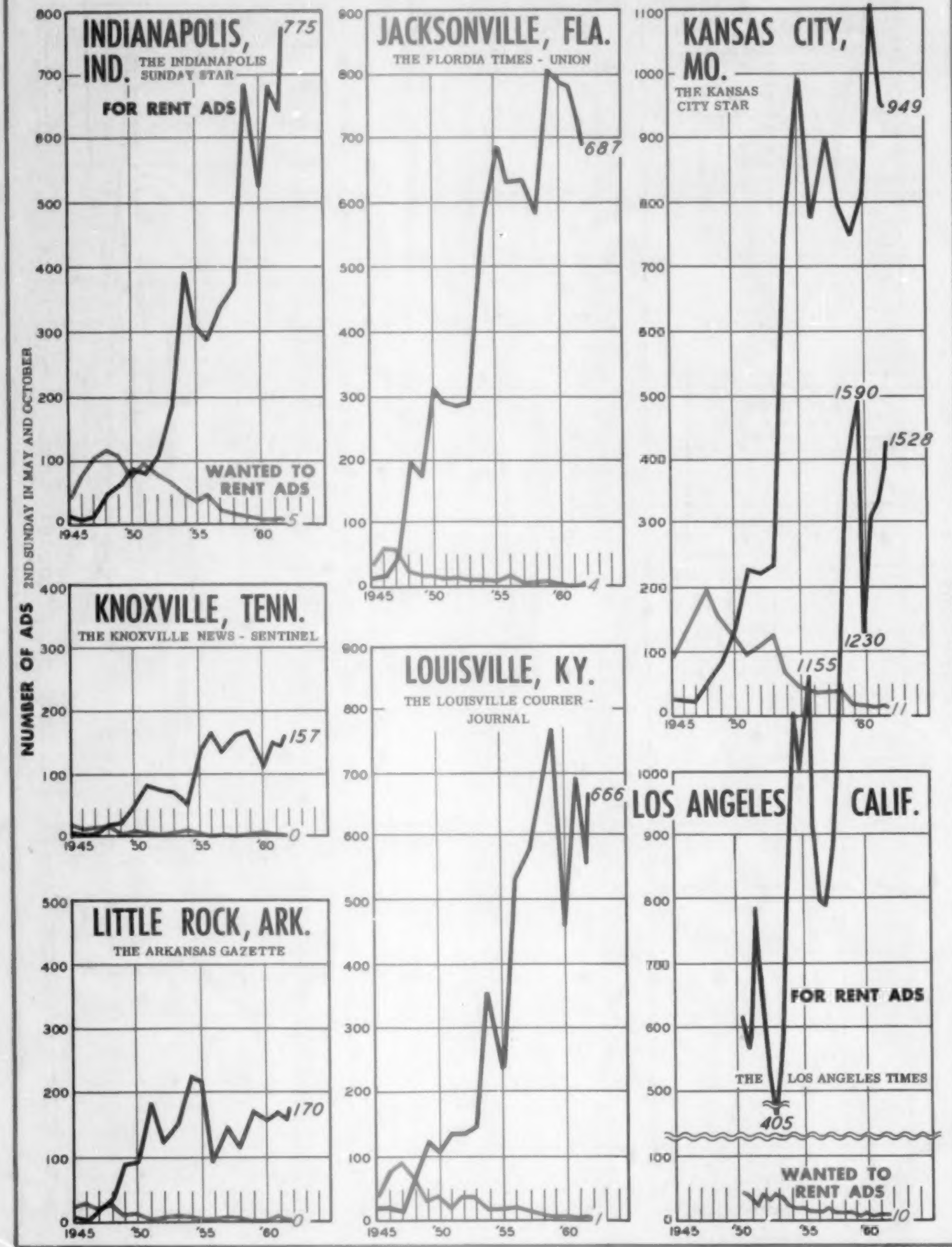
SUPPLY & DEMAND OF RENTAL HOUSING

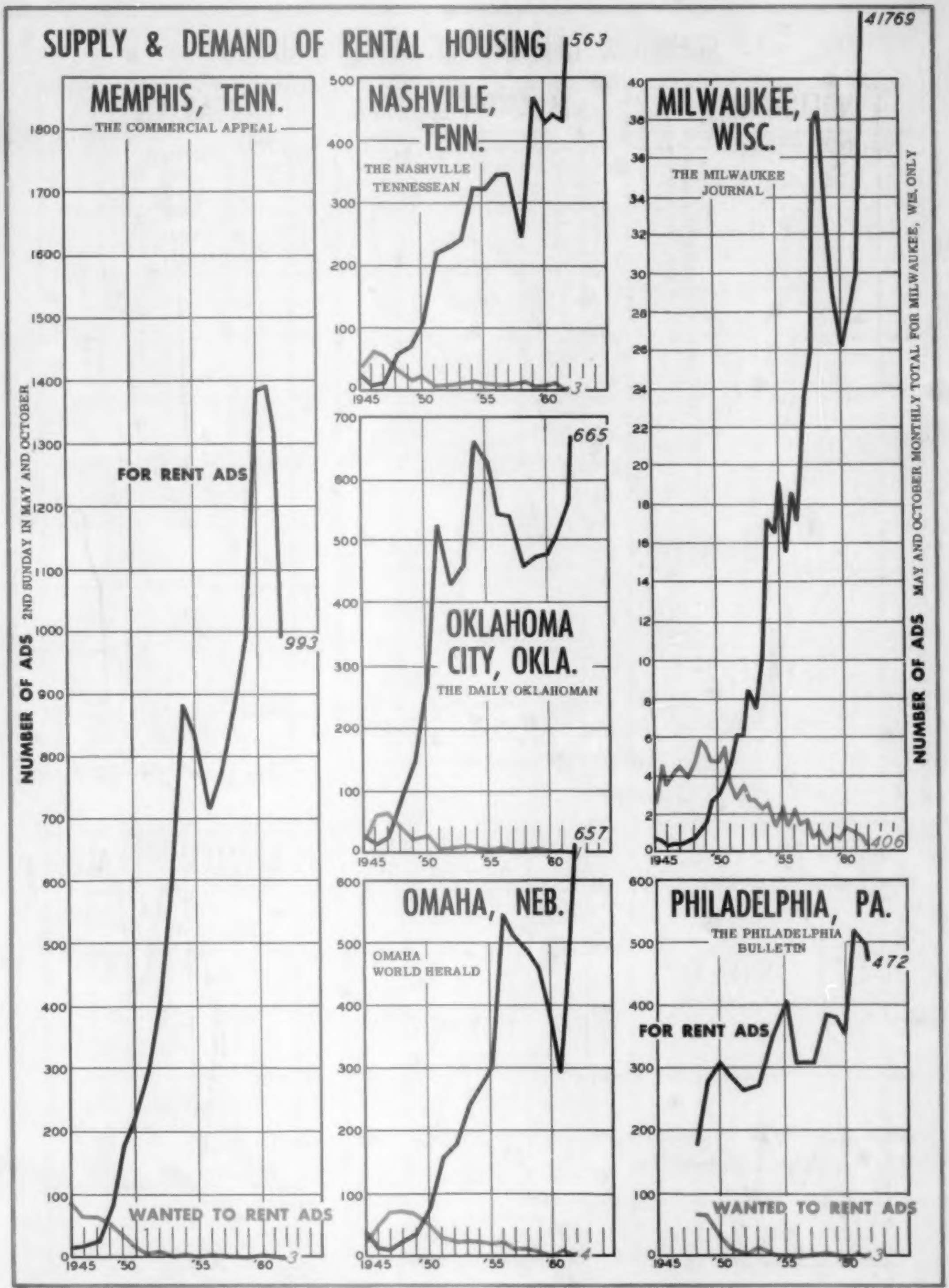


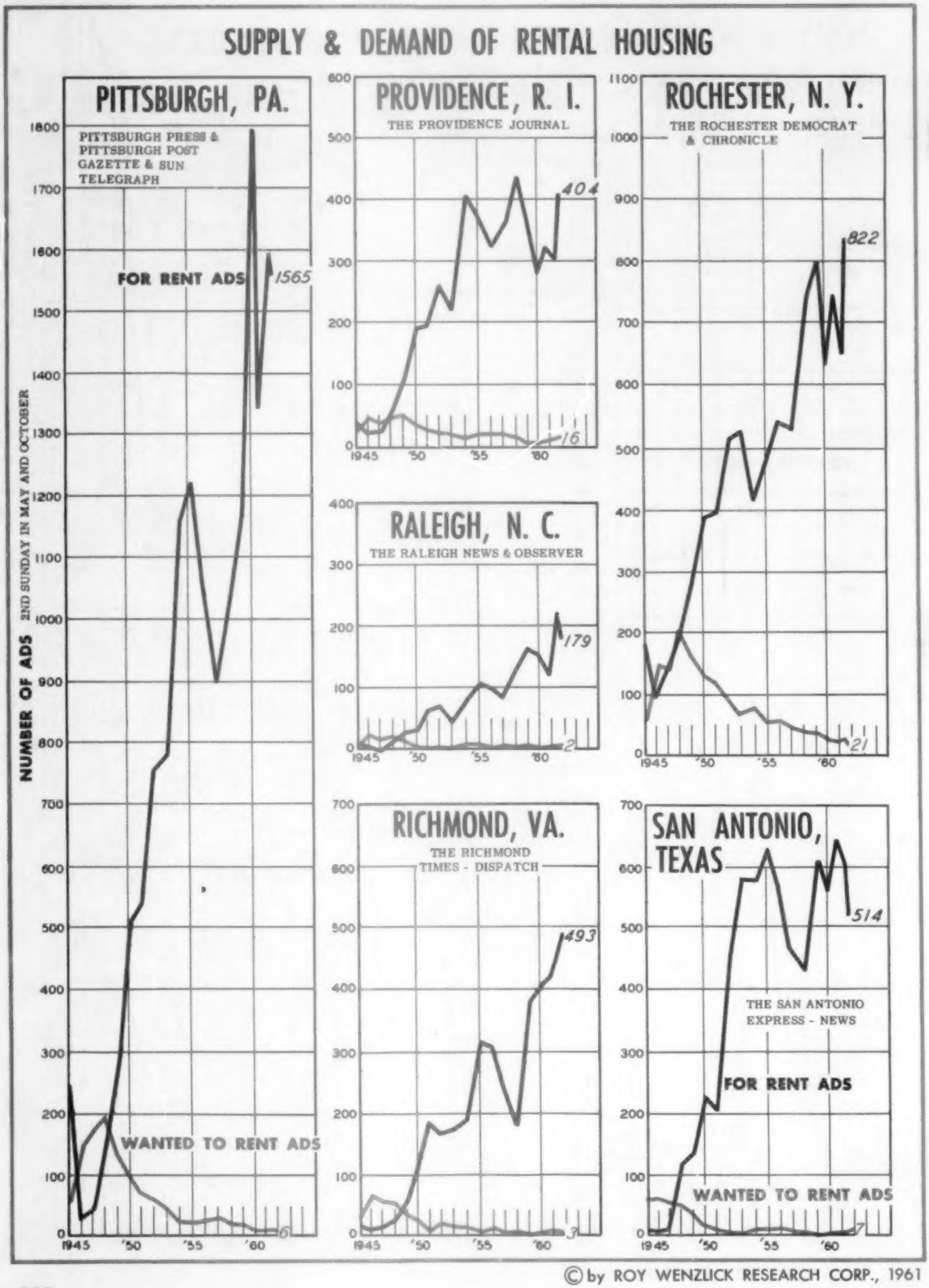
SUPPLY & DEMAND OF RENTAL HOUSING



SUPPLY & DEMAND OF RENTAL HOUSING




SUPPLY & DEMAND OF RENTAL HOUSING
MEMPHIS, TENN.
THE COMMERCIAL APPEAL
NUMBER OF ADS 2ND SUNDAY IN MAY AND OCTOBER
FOR RENT ADS
WANTED TO RENT ADS
993
3
NASHVILLE, TENN.
THE NASHVILLE TENNESSEAN
563
3
OKLAHOMA CITY, OKLA.
THE DAILY OKLAHOMAN
665
657
OMAHA, NEB.
OMAHA WORLD HERALD
4
MILWAUKEE, WISC.
THE MILWAUKEE JOURNAL
NUMBER OF ADS MAY AND OCTOBER MONTHLY TOTAL FOR MILWAUKEE, WIS. ONLY
41769
406
PHILADELPHIA, PA.
THE PHILADELPHIA BULLETIN
FOR RENT ADS
WANTED TO RENT ADS
472
3



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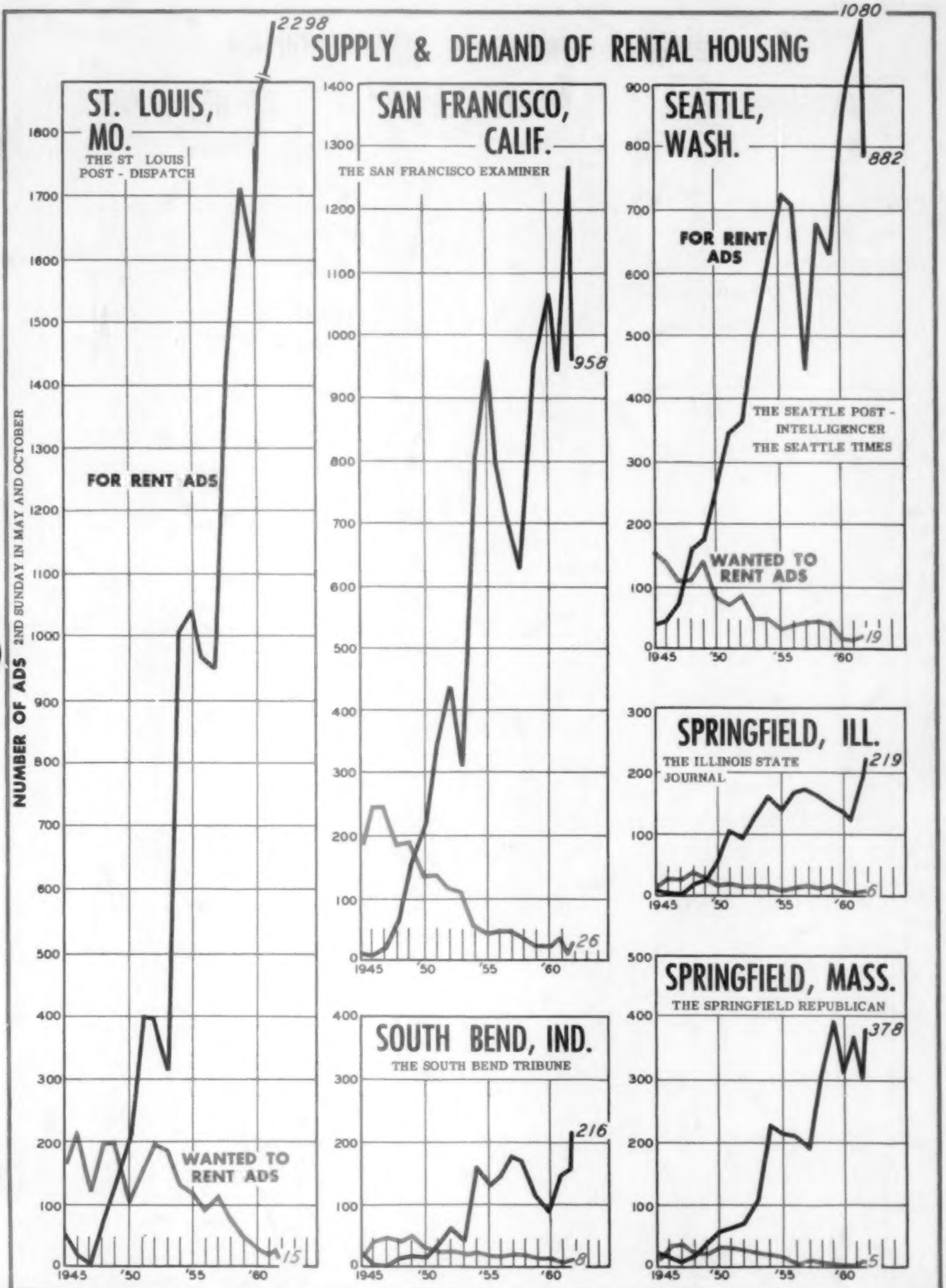
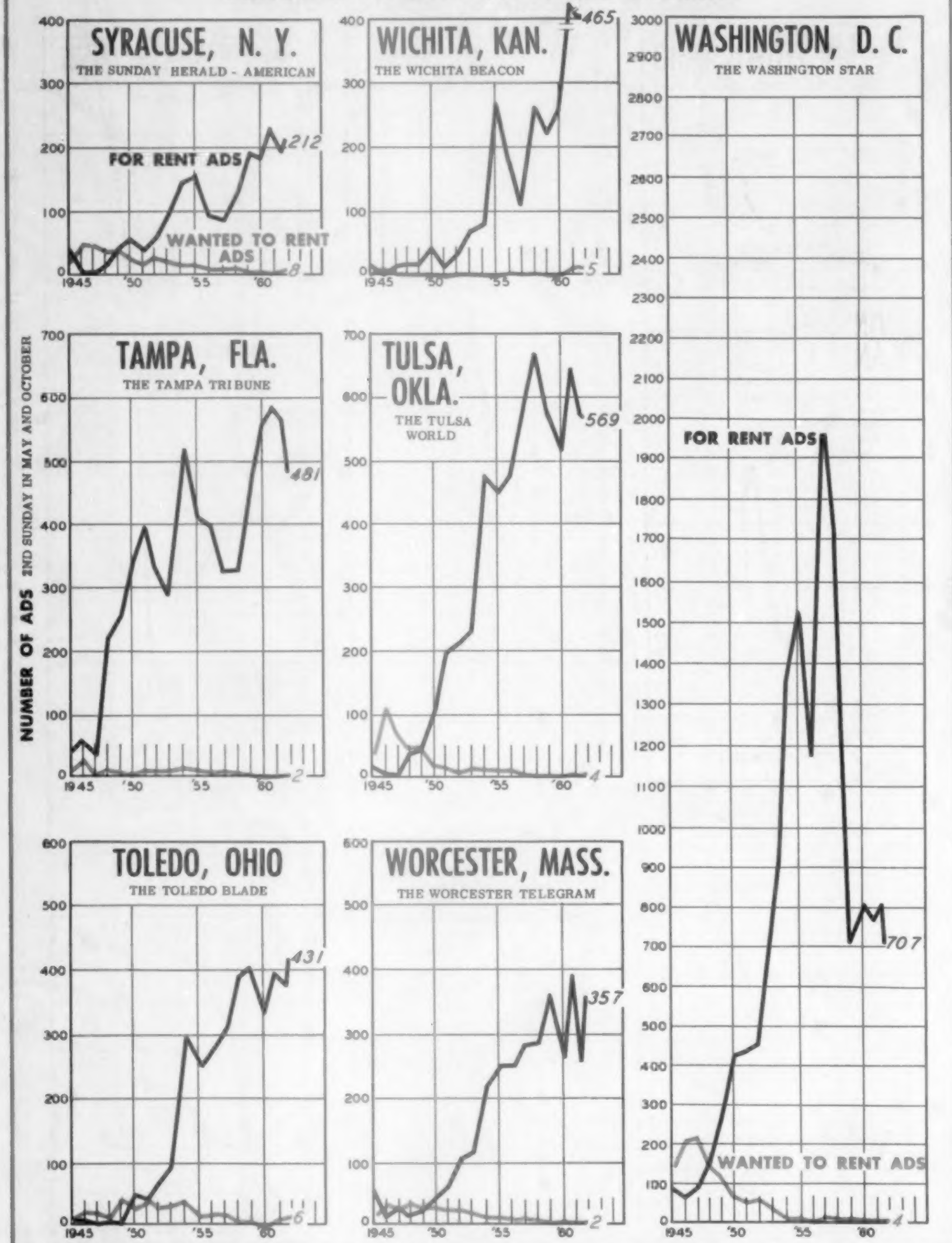
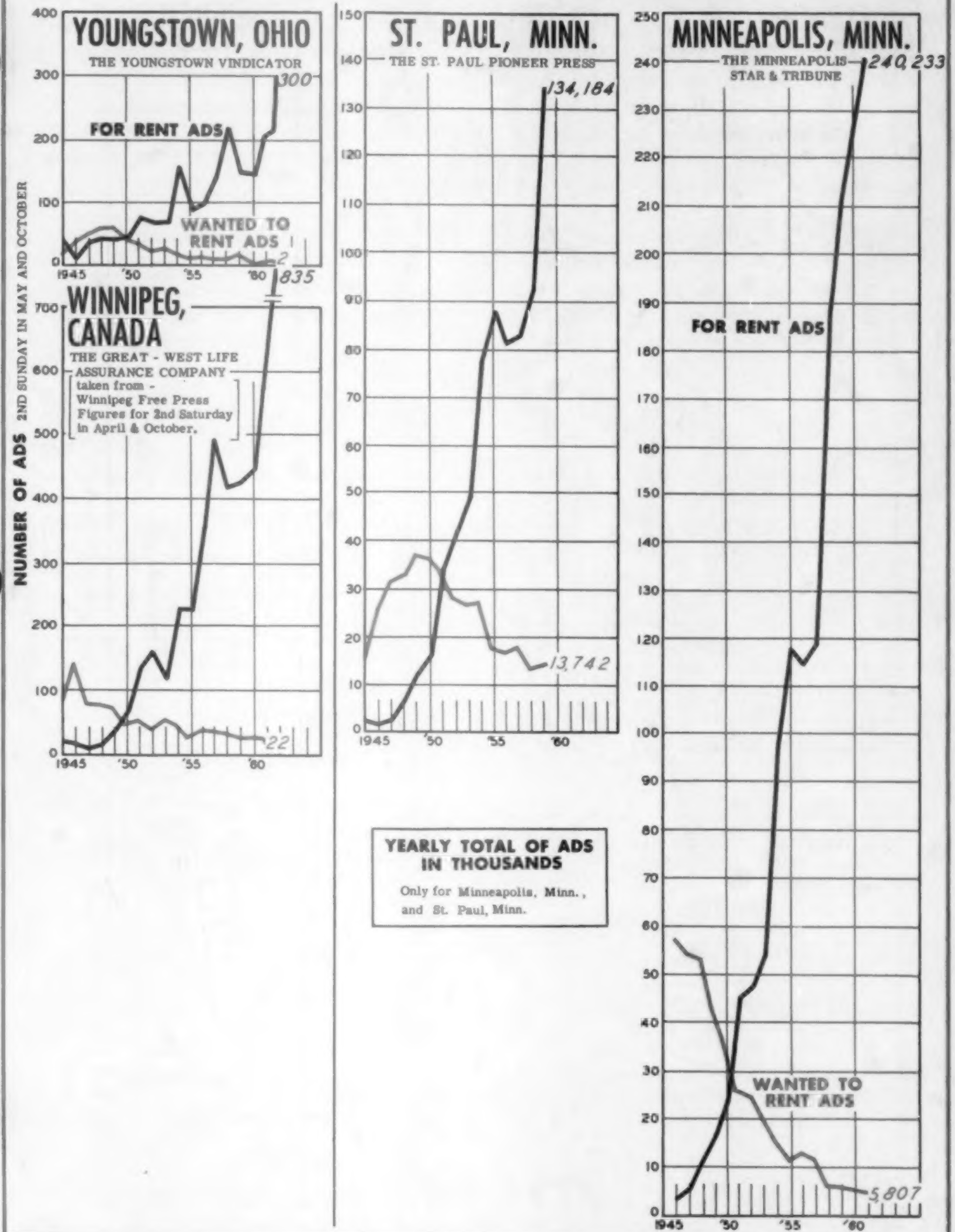

SUPPLY & DEMAND OF RENTAL HOUSING
NUMBER OF ADS 2ND SUNDAY IN MAY AND OCTOBER
ST. LOUIS, MO.
THE ST LOUIS POST - DISPATCH
FOR RENT ADS
WANTED TO RENT ADS
2298
15
SAN FRANCISCO, CALIF.
THE SAN FRANCISCO EXAMINER
958
26
SOUTH BEND, IND.
THE SOUTH BEND TRIBUNE
216
8
SEATTLE, WASH.
FOR RENT ADS
THE SEATTLE POST - INTELLIGENCER
THE SEATTLE TIMES
WANTED TO RENT ADS
1080
882
19
SPRINGFIELD, ILL.
THE ILLINOIS STATE JOURNAL
219
6
SPRINGFIELD, MASS.
THE SPRINGFIELD REPUBLICAN
378
5
1945
'50
'55
'60

SUPPLY & DEMAND OF RENTAL HOUSING



SUPPLY & DEMAND OF RENTAL HOUSING



OFFICE BUILDING VACANCY STILL INCREASING

SINCE 1946 the general trend of office building vacancy has been gradually upward. This is revealed in the tabulations of the National Association of Building Owners and Managers, which are charted on the following pages on a city-by-city basis. During the last six months the upward movement has been slightly stronger than it has been during the past three years. Of the 56 cities on which current figures are available, office building vacancy increased in 36, decreased in 19, and remained steady in 1.

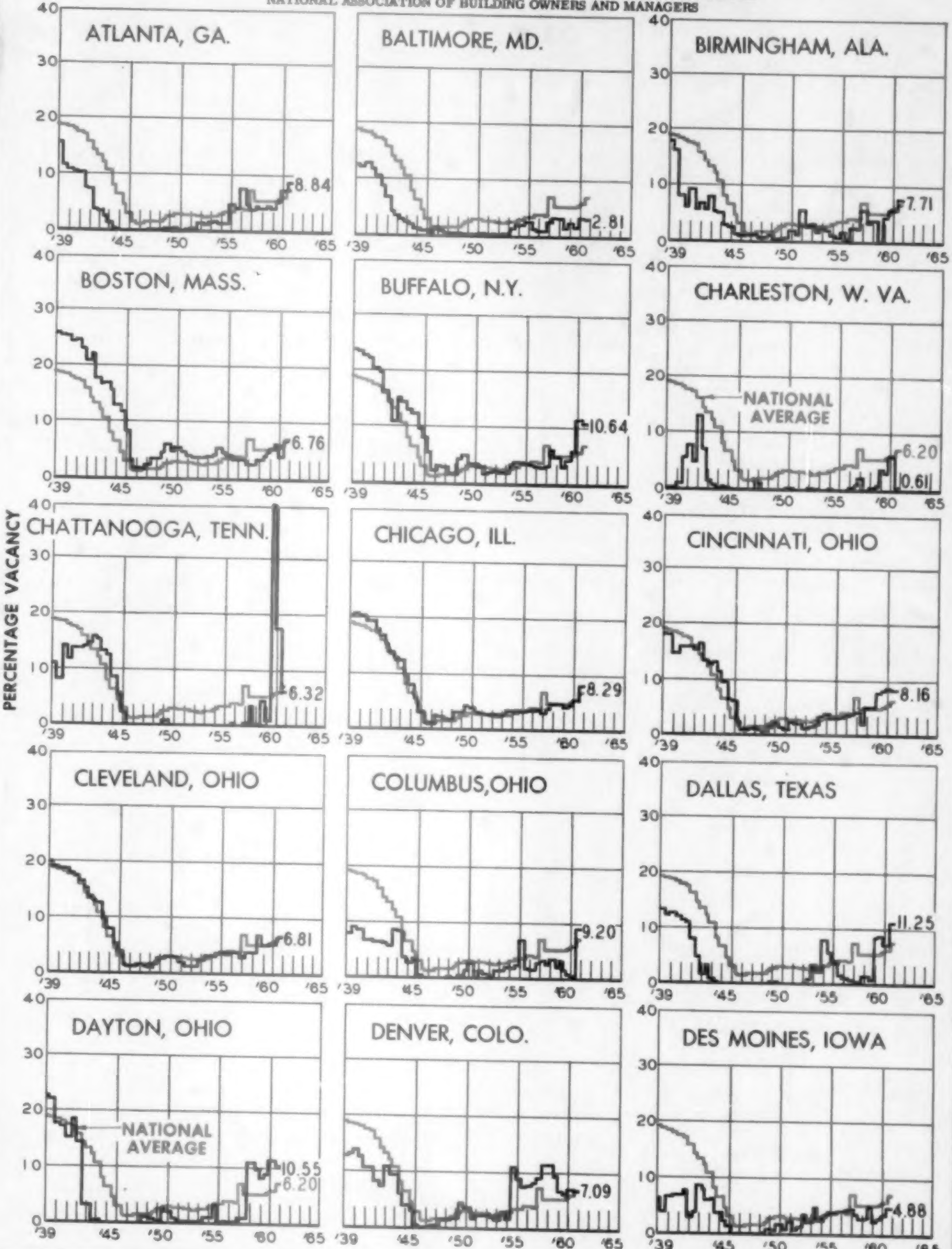
If we divide the 56 cities into four equal groups, we will find that one-fourth of these cities at the present time have more than 10 percent vacancy, one-half of the cities have more than 7-1/4 percent vacancy, and three-fourths of the cities have vacancies higher than 5-1/2 percent. If the cities are arranged according to the percentage of vacancy, we get the following rankings:

Rank	City	% of Vacancy	Rank	City	% of Vacancy
1	Charleston, W. Va.	0.61	29	Birmingham, Ala.	7.71
2	Washington, D. C.	1.40	30	Portland, Oreg.	7.78
3	Norfolk, Va.	1.48	31	Seattle, Wash.	7.98
4	Toledo, Ohio	2.04	32	Cincinnati, Ohio	8.16
5	Topeka, Kans.	2.66	33	Chicago, Ill.	8.29
6	Baltimore, Md.	2.81	34	Milwaukee, Wis.	8.31
7	New York, N. Y.	2.82	35	Atlanta, Ga.	8.84
8	San Diego, Calif.	3.49	36	Columbus, Ohio	9.20
9	New Orleans, La.	3.72	37	Louisville, Ky.	9.26
10	Nashville, Tenn.	4.11	38	Spokane, Wash.	9.28
11	Minneapolis, Minn.	4.52	39	Los Angeles, Calif.	9.77
12	Jackson, Miss.	4.52	40	Indianapolis, Ind.	9.77
13	Des Moines, Iowa	4.88	41	Detroit, Mich.	9.85
14	Salt Lake City, Utah	5.31	42	Oklahoma City, Okla.	9.85
15	Miami, Fla.	5.75	43	Dayton, Ohio	10.55
16	Kansas City, Mo.	5.79	44	Buffalo, N. Y.	10.64
17	Houston, Tex.	6.02	45	Dallas, Tex.	11.25
18	Peoria, Ill.	6.09	46	Jacksonville, Fla.	13.03
19	Memphis, Tenn.	6.19	47	Tulsa, Okla.	13.10
20	Chattanooga, Tenn.	6.32	48	Pittsburgh, Pa.	13.46
21	Boston, Mass.	6.76	49	Toronto, Ont.	13.46
22	Cleveland, Ohio	6.81	50	Omaha, Nebr.	13.56
23	Vancouver, B. C.	6.87	51	St. Louis, Mo.	13.93
24	Lincoln, Nebr.	6.91	52	Duluth, Minn.	14.35
25	Denver, Colo.	7.09	53	Oakland, Calif.	17.11
26	San Francisco, Calif.	7.10	54	San Antonio, Tex.	17.12
27	New Haven, Conn.	7.24	55	Fort Worth, Tex.	19.27
28	Philadelphia, Pa.	7.27	56	Fresno, Calif.	27.13

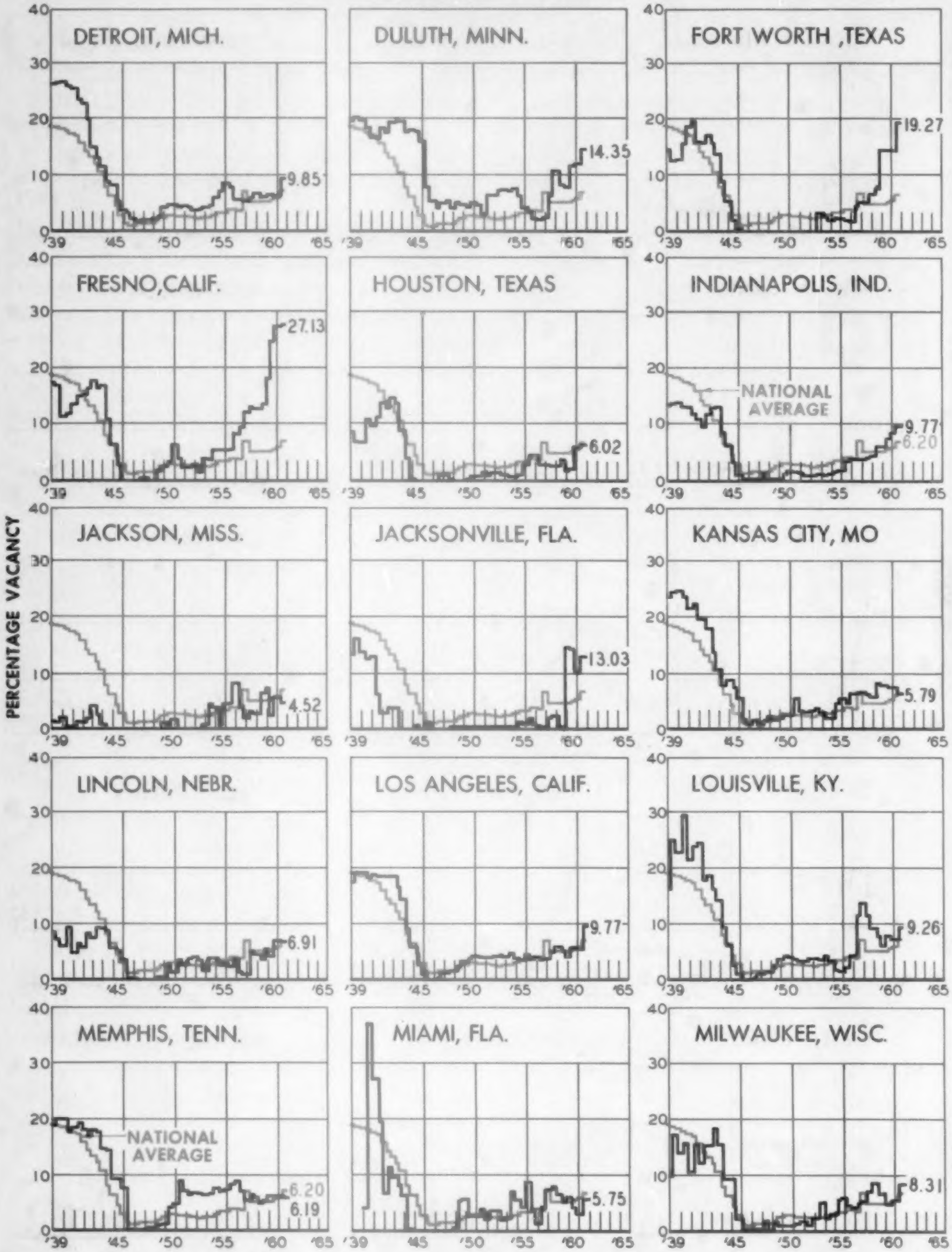
(cont. on page 590)

OFFICE BUILDING VACANCY IN PRINCIPAL CITIES

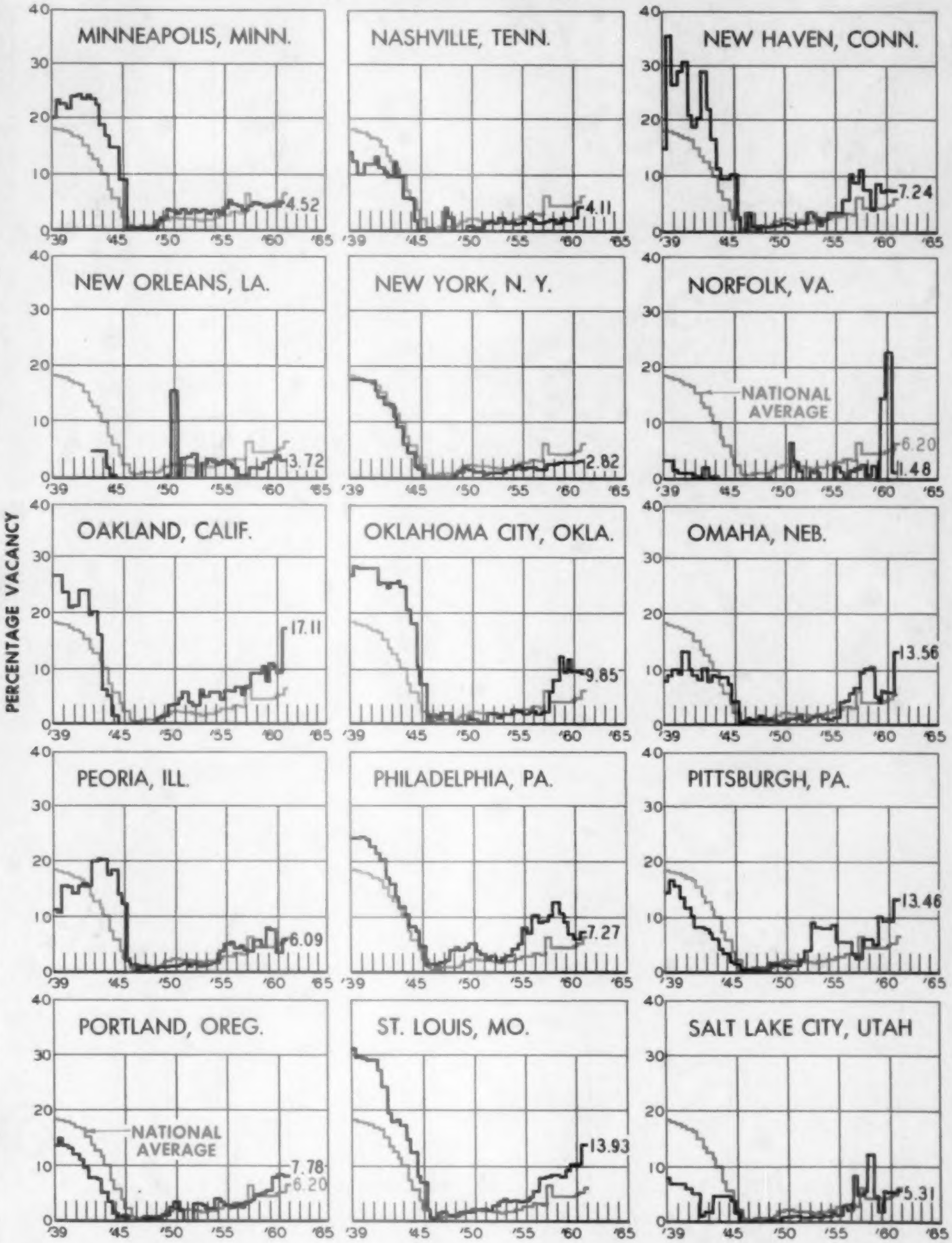
CHARTED BY ROY WENZLICK RESEARCH CORP. FROM DATA FURNISHED BY THE NATIONAL ASSOCIATION OF BUILDING OWNERS AND MANAGERS



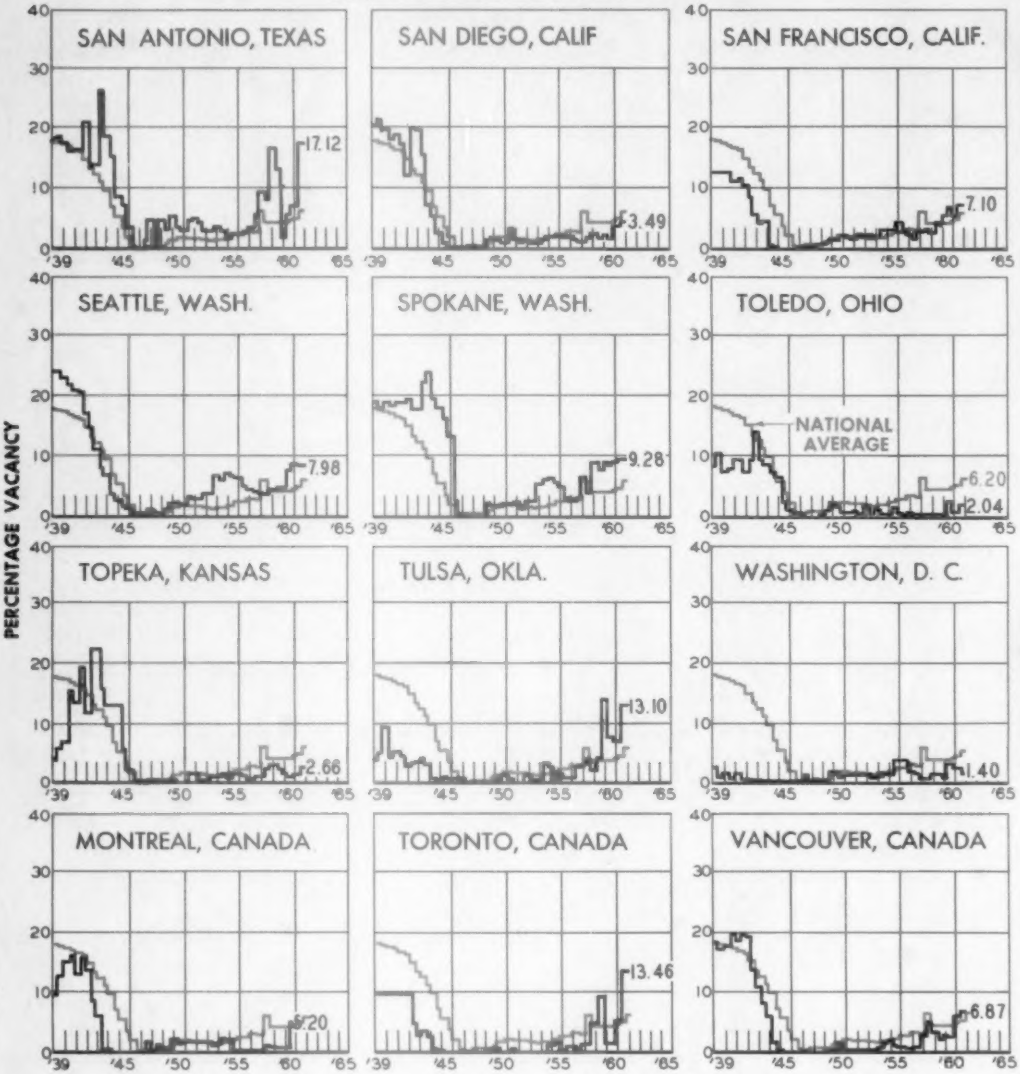
OFFICE BUILDING VACANCY IN PRINCIPAL CITIES



OFFICE BUILDING VACANCY IN PRINCIPAL CITIES



OFFICE BUILDING VACANCY IN PRINCIPAL CITIES



(cont. from page 586)

If the figures are averaged out by regions, we get the following rankings:

Region	% of Vacancy	Region	% of Vacancy
Middle Atlantic	3.64	North Central	8.22
South	6.74	Pacific Southwest . . .	8.98
New England	6.99	Canada	9.37
Pacific Northwest . .	8.00	Southwest	10.41